

An Employer's Guide to *Summary of Benefits and Coverage (SBC)*

This guide provides an overview of the general requirements for SBC generation and distribution. The information contained in this guide is subject to change and should not be regarded as legal counsel or advice. For complete information concerning the Patient Protection and Affordable Care Act mandates and provisions, contact your legal counsel or visit, www.healthcare.gov.

As part of the Affordable Care Act (ACA) the federal government has provided regulations for the way benefit options are formatted and distributed. The Summary of Benefits and Coverage (SBC) is designed to give consumers information about health plans in a standard format allowing them to more easily compare health plans and make decisions about health care coverage. According to ACA regulations, providing SBCs is the responsibility of both The Health Plan/THP Insurance Company and you, the employer.

What Is The Health Plan/THP Insurance Co.'s Responsibility?

We are responsible to provide you with an SBC for distribution to your employees, dependents and employees eligible for health care coverage through your employer group health plan. Along with this guide, we will provide an SBC for each Health Plan/THP Insurance Co. plan option you offer to your employees and a new SBC if/when coverage changes.

We will provide the employer an SBC at these times:

- When an employer applies for coverage with The Health Plan/THP Insurance Co.
- Prior to the employer's annual plan renewal/open enrollment period
- Upon request

What Is The Employer's Responsibility?

Per ACA regulations, it is the responsibility of the employer who sponsors a group health plan to distribute SBCs in a timely manner to participants (including COBRA participants) of the group health plan and their beneficiaries. Employers are required to provide an SBC to each member household. A separate SBC needs to be sent only if there is a beneficiary who resides at an address different than the employee who is the plan participant. The employer can distribute SBCs with other employee or member communications, but they must be placed in the front of the information.

How Can Employers Distribute SBC's?

An SBC can be provided in paper format as long as it is free of charge.

An SBC can be provided electronically if:

- Employees have the ability to effectively access the document in electronic form at any location where they are employed and can access the employer's information system.
- Other plan participants and beneficiaries (such as retirees or employees who do not have access to computers at work) can give their permission to the employer to send their SBCs electronically.

SBCs can also be distributed electronically to employees who are eligible but are not currently enrolled in the plan if:

- The file format is easily accessible, such as a PDF file
- The SBC can be provided in paper format at no charge, upon request
- The SBC is posted and available on an employer's website. Employees should be notified that the SBC is available on the website and the website address is provided. Notification of SBCs being available on the website can be sent as an email.

Who Should Receive An SBC?

Note: you can provide SBC's in either color or grayscale.

When Should They Receive An SBC?

Employees who become members during the employer's open enrollment period and new hires	<ul style="list-style-type: none">• SBCs should be provided when the employer distributes open enrollment materials and/or written applications• If the employer does not distribute written materials, then they must provide an SBC no later than the first date the employee is eligible to enroll for coverage.
Employees renewing their benefit plan	<ul style="list-style-type: none">• SBCs should be provided with renewal materials• If the employer does not require a written application at renewal, then no later than 30 days prior to the first day of the new plan year.• There is an exception: If the policy is not renewed before the 30 day period, the employer must provide SBCs no later than 7 business days after written confirmation of the plan's intent to renew or after the issuance of the policy, whichever is latest.
Special Enrollees (as defined by HIPAA)	SBCs must be provided no later than 90 days after enrollment
Upon Request	Effective with plan years beginning on or after September 23, 2012, SBCs must be provided no later than 7 business days after a request has been made.

Does The Employer Need to Provide An SBC For Each Benefit Plan Option They Offer?

If the employer offers more than one benefit plan option they must provide an SBC for every option an employee is eligible to enroll in even if the employee is not currently enrolled in the plan. However, upon renewal the employer needs to supply only the SBC for the option selected by the employee or covered dependents. If the renewing employee requests an SBC for one or more of the other plan options for which they are eligible, the employer must provide the SBC(s) within seven business days of the request.

It is also the employer's responsibility to provide The Health Plan/THP Insurance Co. adequate advance notice of benefit changes so that we can provide an SBC with updated benefits.